

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 849 – SB 1178

March 22, 2013

SUMMARY OF ORIGINAL BILL: Authorizes a county clerk to deny an application for a motor vehicle registration renewal, if the applicant owes any fee to the office of the county clerk, until a full payment is made on such fee amounts owed. Authorizes the clerk to charge an additional fee equal to ten percent of the fee amount owed.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenue – Exceeds \$1,000

Increase Local Revenue – Exceeds \$100,000

SUMMARY OF AMENDMENT (004645): Specifies that the authorization of a county clerk to deny an application for a motor vehicle registration renewal is granted if the applicant owes any motor vehicle registration fee, instead of any fee, to the office of the county clerk.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- The fiscal impact of this bill is dependent upon multiple unknown factors such as the number of applicants owing any motor vehicle registration fees to the office of the county clerk, the amount of outstanding debt to the office of the county clerk, the percentage of applicants who owe a motor vehicle registration fee that will pay the fee as a result of this bill, and the percentage of applicants who owe a motor vehicle registration fee against whom the clerk would assess the additional ten percent charge.
- Given the extent of unknown factors mentioned above, determining a precise fiscal estimate for this bill is difficult. However, based on information provided by the

Department of Revenue, the recurring decrease in state revenue as a result of denied registration renewal applications is reasonably estimated to exceed \$1,000. The recurring increase in local revenue as a result of collecting the fees owed and the ten percent additional charge is reasonably estimated to exceed \$100,000.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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